Coal Sector Rehabilitation Project

*253 SHRI DIPANKAR MUKHERJEE:
SHRI NILOTPAL BASU:

Will the Minister of MINES AND MINERALS be pleased to state:

(a) whether any agreement has been reached between World Bank and Coal India/Government of India for Coal Sector Rehabilitation Project (CSRP) involving IBRD loan of 530 million dollars;

(b) if so, the proposed covenants under the CSRP loan for coal price and distribution deregulation and for encouraging private investment; and

(c) the details of the clauses in the agreement perta'ning to ECL and BCCL?

THE MINISTER OF MINES AND MINERALS (SHRI NAVEEN PATNAIK): (a) Yes, Sir. An agreement has been signed between IBRD and Coal India Ltd. for a loan of 530 million dollars.

(b) There is no covenant on coal price and distribution de regulation and for encouraging private investment in the Loan Agreement between IBRD and Coal India Limited.

(c) In the CSRP Loan Agreement between IBRD and Coal India Limited, the clauses pertaining to ECL and BCCL provide, inter alia, for controlling and improving the debt to total capitalization ratio and debt service coverage ratio of these two companies.

Recession in Textile Industry

†*254 SHRI RAMJILAL: Will the Minister of TEXTILES be pleased to state:—

(a) whether Government are aware that textile industry in the country is under great recession; if so, the reasons, therefor;

(b) the number of industries closed during the last two years; and

(c) the steps being taken by Government to protect the textile industry from ill effects of recession?

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†Original notice of the question was received in Hindi.

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA): (a) The textile industry experienced recessionary conditions, especially in 1998-99, essentially on account of fall in demand, in both domestic and international markets, leading to deceleration of production and exports. However, since then there are some indications of revival because production of yarn and cloth during April to September, 1999 has registered an increase of 7% against a decline of about 3% during the corresponding period of previous year and exports have recorded a growth of 2.5% (in dollar terms) as against decline of 0.4% in the corresponding period of previous year.

(b) During the period from October 1, 1997 to September 30, 1999, 129 mills were reportedly closed down.

(c) The Government has taken a number of steps to stimulate demand, reduce cost and strengthen the textile industry. These include rationalisation of the fiscal structure, launching of the Technology Upgradation Fund Scheme (TUFS) for providing loans on softer terms; announcing a new 5 year Export Quota Policy effective from 1st January, 2000 to provide for continuity, stability and encourage competition; liberalising export of cotton yarn; lowering the threshold limit of zero duty Export Promo.ion Capital Goods Scheme (EPCG) to Rs. 1 crore for prescribed textile machinery.

Mineral Exploration Fund

*255 SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of MINES AND MINERALS be pleased to state:—

(a) Whether it is a fact that Government have set up Mineral Exploration Fund?

(b) If so, what are the aims and objectives of fund;

(c) Whether private sector companies can also contribute to this fund; and

(d) If not, whether there is any proposal in this direction, so as to strengthen the fund?

THE MINISTER OF MINES AND MINERALS (SHRI NAVEEN PATNAIK): (a) Yes, Sir.